

(3) damage caused by a maritime tort committed by an agent or employee of the Department in which the Coast Guard is operating or by property under the jurisdiction of that Department.

(b) Upon acceptance of payment by the claimant, the settlement or compromise of a claim under this section is final and conclusive notwithstanding any other law.

(c) If a claim under this section is settled or compromised for more than \$100,000, the Secretary shall certify it to Congress.

(Aug. 4, 1949, ch. 393, 63 Stat. 548, §646; Pub. L. 86-533, §1(3)(A), June 29, 1960, 74 Stat. 245; Pub. L. 92-417, §2(a), Aug. 29, 1972, 86 Stat. 655; renumbered §937, Pub. L. 115-282, title I, §107(b), Dec. 4, 2018, 132 Stat. 4205; Pub. L. 116-283, div. G, title LVXXXII [LXXXII], §8212(a), Jan. 1, 2021, 134 Stat. 4649.)

HISTORICAL AND REVISION NOTES

Based on title 14, U.S.C., 1946 ed., §71 (June 15, 1936, ch. 550, 49 Stat. 1514; July 1, 1944, ch. 373, title VII, §711, 58 Stat. 714; Aug. 13, 1946, ch. 958, §5, 60 Stat. 1051).

This section closely parallels title 46, U.S.C., 1946 ed., §§797, 798, which authorizes the Secretary of the Navy to negotiate amicable settlement of claims against the United States arising out of the operation of Naval vessels. It grants similar authority to the Secretary of the Treasury in relation to vessels in the Coast Guard service, and the limiting amount is reduced from \$1,000,000 to \$25,000. It is believed that this section will work to the benefit of the Government by reducing civil litigation and the number of claims which must presently be certified to Congress for appropriations in order to make settlement. It will greatly expedite the settlement of just claims and should result in a considerable overall savings to the Government. 81st Congress, House Report No. 557.

Editorial Notes

AMENDMENTS

2021—Subsec. (a). Pub. L. 116-283 substituted “\$425,000” for “\$100,000” in introductory provisions.

2018—Pub. L. 115-282 renumbered section 646 of this title as this section.

1972—Subsec. (a). Pub. L. 92-417 incorporated in part first sentence of former subsec. (a) in text preceding par. (1), substituted “Secretary” for “Secretary of the Treasury”, inserted provisions authorizing payments up to \$100,000, struck out second, third, and fourth sentences providing that provisions of this section were supplementary to other provisions, that claims in excess of \$3,000 accrued prior to Sept. 8, 1939, would not be considered, and that payments be made out of Coast Guard appropriations, and added pars. (1) to (3).

Subsec. (b). Pub. L. 92-417 incorporated in part first sentence of former subsec. (a).

Subsec. (c). Pub. L. 92-417 incorporated provisions of last sentence of former subsec. (a) and substituted “100,000” for “25,000”.

1960—Subsec. (b). Pub. L. 86-533 repealed subsec. (b) which required the Secretary of the Treasury to report to the Congress the payment of claims determined, compromised, settled, or paid.

§ 938. Claims for damage to property of the United States

The Secretary may consider, ascertain, adjust, determine, compromise, or settle claims for damage cognizable in admiralty in a district court of the United States and all claims for damage caused by a vessel or floating object, to

property of the United States under the jurisdiction of the Coast Guard or property for which the Coast Guard may have assumed, by contract or otherwise, any obligation to respond for damage thereto. The Secretary is further authorized to receive in payment of any such claim the amount due the United States pursuant to determination, compromise, or settlement as herein authorized and, upon acceptance of such payment but not until then, such determination, settlement, or compromise of such claim shall be final and conclusive for all purposes, any law to the contrary notwithstanding. All such payments shall be deposited in the Treasury of the United States as miscellaneous receipts. The Secretary is further authorized to execute on behalf of the United States and to deliver in exchange for such payment a full release of such claim. This section, as respects the determination, compromise, settlement, and payment of claims, shall be supplementary to, and not in lieu of, all other provisions of law authorizing the determination, compromise, or settlement of claims for damage to property hereinabove described. No settlement or compromise where there is involved a payment in the net amount of over \$425,000 is authorized by this section.

(Aug. 4, 1949, ch. 393, 63 Stat. 549, §647; Pub. L. 86-533, §1(3)(B), June 29, 1960, 74 Stat. 245; Pub. L. 94-546, §1(34), Oct. 18, 1976, 90 Stat. 2521; Pub. L. 98-557, §17(b)(3)(A), Oct. 30, 1984, 98 Stat. 2868; renumbered §938, Pub. L. 115-282, title I, §107(b), Dec. 4, 2018, 132 Stat. 4205; Pub. L. 116-283, div. G, title LVXXXII [LXXXII], §8212(b), Jan. 1, 2021, 134 Stat. 4650.)

HISTORICAL AND REVISION NOTES

This section closely parallels title 34, U.S.C., 1946 ed., §§600a, 600b, which authorize the Secretary of the Navy to negotiate amicable settlements of affirmative claims of the United States for damage to Government property. Experience gained by the Navy since enactment of title 34, U.S.C., 1946 ed., §§600a-600d, indicates that such amicable settlement reacts to the benefit of the Government in many cases. The provisions of this section would complement those of section 646 of this title and the two sections together would permit the Coast Guard to negotiate the settlement of claims arising out of Coast Guard floating operations, both for and against the United States. 81st Congress, House Report No. 557.

Editorial Notes

AMENDMENTS

2021—Pub. L. 116-283 substituted “\$425,000” for “\$100,000”.

2018—Pub. L. 115-282 renumbered section 647 of this title as this section.

1984—Pub. L. 98-557 substituted “\$100,000” for “\$25,000”.

1976—Pub. L. 94-546 struck out subsection designation “(a)” and substituted “Secretary” for “Secretary of the Treasury” wherever appearing, “deposited in the Treasury of the United States” for “covered into the Treasury of the United States”, and “authorized by this section” for “authorized by this title”.

1960—Pub. L. 86-533 repealed subsec. (b) which required the Secretary of the Treasury to report to Congress with respect to payments received by the United States in excess of \$3,000.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 1984 AMENDMENT**

Pub. L. 98-557, §17(b)(3)(B), Oct. 30, 1984, 98 Stat. 2868, provided that: "The amendment made by subparagraph (A) of this paragraph [amending this section] shall apply to all claims considered, ascertained, adjusted, determined, compromised or settled on or after the date of enactment of this Act [Oct. 30, 1984]."

§ 939. Accounting for industrial work

(a) **IN GENERAL.**—The Secretary may prescribe regulations governing accounting for industrial work, including charges for overhead for civilian labor and for maintenance of industrial plant and equipment, performed at the Coast Guard Yard or such similar Coast Guard industrial establishments as he may designate. Any orders placed for such industrial work shall be covered by a transfer or advance of funds to cover the estimated cost thereof, and shall be credited to such accounts as may be necessary and established by the Secretary to carry out the provisions of this section. Accounts so established shall be available for materials, supplies, or equipment, and civilian labor, including overhead and maintenance, required in performing the work ordered. Upon completion of an order an adjustment will be made to make the amount transferred or advanced equal to the actual cost as computed in accordance with the accounting regulations prescribed by the Secretary or in accordance with subsection (b).

(b) INCENTIVE CONTRACTS.—

(1) The parties to an order for industrial work to be performed by the Coast Guard Yard or a Coast Guard industrial establishment designated under subsection (a) may enter into an order or a cost-plus-incentive-fee order in accordance with this subsection.

(2) If such parties enter into such an order or a cost-plus-incentive-fee order, an agreed-upon amount of any adjustment described in subsection (a) may be distributed as an incentive to the wage-grade industrial employees who complete the order.

(3) Before entering into such an order or cost-plus-incentive-fee order such parties must agree that the wage-grade employees of the Coast Guard Yard or Coast Guard industrial establishment will take action to improve the delivery schedule or technical performance agreed to in the order for industrial work to which such parties initially agreed.

(4) Notwithstanding any other provision of law, if the industrial workforce of the Coast Guard Yard or Coast Guard industrial establishment satisfies the performance target established in such an order or cost-plus-incentive-fee order—

(A) the adjustment to be made pursuant to subsection (a) shall be reduced by an agreed-upon amount and distributed to such wage-grade industrial employees; and

(B) the remainder of the adjustment shall be credited to the appropriation for such order current at that time.

(Aug. 4, 1949, ch. 393, 63 Stat. 549, §648; renumbered §939 and amended Pub. L. 115-282, title I, §107(b), title III, §307, Dec. 4, 2018, 132 Stat. 4205, 4247.)

HISTORICAL AND REVISION NOTES

This section is intended to eliminate a very cumbersome and inefficient method of accounting for industrial jobs at the Coast Guard Yard and other shore establishments where industrial work may be undertaken. Under existing law several accounts must be kept current for each job in progress. Under this statute the working fund would be available for all types of expenditures in connection with a job and the breakdown into separate accounts could be done after the job is complete. The other armed forces have provisions of law which permit a working fund similar to the one provided by this section. 81st Congress, House Report No. 557.

Editorial Notes**AMENDMENTS**

2018—Pub. L. 115-282, §307, designated existing provisions as subsec. (a) and inserted heading, substituted "Secretary or in accordance with subsection (b)." for "Secretary.", and added subsec. (b).

Pub. L. 115-282, §107(b), renumbered section 648 of this title as this section.

§ 940. Supplies and equipment from stock

Supplies and equipment for special work of the Coast Guard may be furnished from general stock and the applicable appropriation reimbursed therefor from the respective appropriations for such special work.

(Aug. 4, 1949, ch. 393, 63 Stat. 550, §649; renumbered §940, Pub. L. 115-282, title I, §107(b), Dec. 4, 2018, 132 Stat. 4205.)

HISTORICAL AND REVISION NOTES

Based on title 33, U.S.C., 1934 ed., §726 (Mar. 4, 1913, ch. 168, 37 Stat. 1018).

Changes were made in phraseology. 81st Congress, House Report No. 557.

Editorial Notes**AMENDMENTS**

2018—Pub. L. 115-282 renumbered section 649 of this title as this section.

§ 941. Coast Guard Supply Fund

(a) A Coast Guard Supply Fund is authorized. The Secretary may prescribe regulations for designating the classification of materials to be stocked. In these regulations, whenever the fund is extended to include items not previously stocked, or spare parts obtained as part of a procurement under a different account of major items such as vessels or aircraft, whether or not such parts were previously stocked, the Secretary may authorize an increase in the existing capital of the fund by the value of such usable materials transferred thereto from Coast Guard inventories carried in other accounts. Except for the materials so transferred, the fund shall be charged with the cost of materials purchased or otherwise acquired. The fund shall be credited with the value of materials consumed, issued for use, sold, or otherwise disposed of, such values to be determined on a basis that will approximately cover the cost thereof.

(b) Obligations may, without regard to fiscal year limitations, be incurred against anticipated reimbursement to the Coast Guard Supply Fund in such amount and for such period, as the